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CONTEMPORARY SUBSTITUTES OF THE POLITICAL ECONOMY¹

The subject of this paper is a critique of the selective theoretical modelings of economic realities, which are monistic (quasi-neoliberal) and mathematical-statistical in nature. In this sense, the theme named Contemporary Substitutes of the Political Economy is defined. The aim of this research is that the above-mentioned modeling of economic reality would be described as a deliberate motion from the analysis and explanation of fundamental economic problems towards secondary issues. Therefore, we characterize them as unfair and programmed ways of fogging the essence of economic problems and crisis. We start from the hypothesis that these modelings replaced and virtually eliminated the former synthesized and useful political-economic analysis. In this paper, we have used a descriptive, comparative methods, panel sample and a schematic logic modeling. The results of our research show that the substitution of political economy by neoclassical and neoliberal economics is performed over a longer period, and through prioritizing the mathematical and statistical econometric analysis. As a proof, we present our selective research panel using a sample of 39 issues from five international journals, which can be found in databases SSCI and Scopus. This research is limited by the unavailability of most journals on the Internet and in printed publications. The application area of the research results is an economic theory. In conclusion, we ascertain the need for greater affirmation of political economy, which in combination with new institutional theory, enables a more realistic view of social and economic reality.

Keywords: political economy, neoliberalism, quasi-neoliberalism, modeling of economic reality, institutional pluralism

1. Introduction

The development of economic science in general, whatever it is called (political economy, the basis of economy or economics) has always been accompanied by attempts to interpret the objective conditions in the economic reality. In these interpretations have always, more or less, appeared and reflected the subjective aspirations (reduced on interest apologetic). Full ideological neutrality was and is pretty rare in economic elaborations, especially of economic "officials" (the principle of the dominance of the politics over the economy).

Rapid changes of economic reality, contradiction structures, priorities, systems and criteria values, have influenced the development of many economic thoughts, which has always vacillated between the explanation of economic practice phenomenon (economic growth, cyclical fluctuations, economic balance, inflation, unemployment, disparities in development, privatization, economic institutes of ownership, state and market regulation, unequal distribution of income, etc.) and prevailing requirements of the politics. This has led to the glorification of one and underestimation (marginalization) of other economic

processes, phenomena and problems. Therefore, M. Blaug [1] states that the development of economic thought is equally "the history of explanations and justifications." However, T. Kuhn [2] has written that a scientific paradigm can insulate the community from important social problems. In our case, the imposition of neoliberal dogma and mathematical-statistical dominance in economics prevents the formation of political-economic paradigm development.

Identification of basic theoretical schemes (as a realistic picture of reality) with ideological doctrines (as a subjective image of reality) has always disguised numerous dangers, and often led to disastrous consequences, sometimes visible to a naked eye. The post-socialist transition is a good example of this statement. The gap between a model of neoliberal rhetoric and quasi-neoliberal reality is immeasurable, and has made enormous harm to the people and government resources in the countries where it has been applied.

Monistic neoliberal instrumentalization and institutional improvisation, and operationalization are still present in some transitional countries (in particular in South-East Europe) in various quasi-forms. Despite the fact that economic practice has convincingly relativized the mythological thesis of eternity and universality of "mar-

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Table 1

Key causes and consequences of removing the political economy

Crisis of value paradigm in economics	→ ←	Shift of value criteria in the socio-economic development		
↓		↓		↓
Apologetics in theory		crisis of moral criteria in economic behavior		dogmatism, cleptocracy technocracy, negative selection ...
↓		↓		↓
monistic (neoliberal) and mathematical- statistical modeling		unequal access to the resources inequality dependency ratios reproduction of crisis		domination of politics over economy dominance of narrow group interests mass alienation and poverty reduction of choice withering away of the middle class...

Source: Author's creation.

ket self-regulation" and "state order" (i.e. "spontaneous evolution and cognitive control" according to F. Hayek) and verified the inevitable developmental need for their institutional convergence and combinations (institutional pluralism).

Every monism, apologetics and fetishism, in theory, are counterproductive, because they idealize and blur the object of observation. In practice, it (economic realities) is followed by the collapsing effect of quasi-monism (quasi-neoliberal and others). Actually, that's what I have often named the economic clockotism in my earlier works. To say the least, we are talking about "selling goods for a bill", "throwing dust in the eyes", or originally (jargon) — buying a pig in a poke ... without consequences. What is a purpose of accusing [3] anti-liberals (university professors) for dirigisme? We constantly accuse quasi-neoliberals, because they have committed the redistribution of national resources to their advantage.

The dialectic of development has verified the need for resource-allocational, organizational, motivational and informational combinations and interdependence, namely — pluralism of economic institutions. Of course, it has never been a major problem when economists (in theory) are wrong — they have already been "so often wrong" (Ashley). The problem is when they are interests and/or opportunistically wrong, especially when interest ambitions have the possibility to actively influence the current economic policy, which is not a rare case. This leads the way for promotion and realization of their own choice, maximizing their own interest at the expense of others (reducing someone else's choice), in terms of the "free market for everybody, except for yourself" [4, p. 199].

Any national economy can not function without the built-in moral, institutional and other "stabilizers". Neoliberals constantly refer to F. Hayek,

but they never mention that he claimed that western economic order "arose from an unintentional sequence (appreciation) of certain traditional, primarily moral principles." Similar to Pareto optimal, in civilized and developed economies, the maximizing behavior of economic agents is allowed only if does not jeopardize the interests of other members of society. Is the message called "Krugman's sin" not clear, claiming that there are theories that describe reality much better than the standard theories, but are not used in practical economic policy?

The crisis of value paradigm in economics (apologetics in theory and the crisis of moral criteria in economic behavior — opportunistic, non-market, rapacious, elitist, privileged, and the like.) is closely associated with the shift of value criteria in the socio-economic development (eg. in aforementioned post-socialist transition) but also with retrograde neo-liberal "classic of one-sidedness" (of monism — institutional, individual), presenting itself as the non-alternative reforming-development thought. As if the formed paradoxical dependence in many transition economies no longer exist: e.g. economic efficiency in the case of unorganized market depends on the immoral (anti-legal) economic activities!? As if the disturbed balance of private and general economic, social and other interests is not noticeable!? As if there are no insurmountable and inhuman differences of all sorts, horrible reduction of proclaimed principle of competition in practice and much more which does not fit into the rhetoric of sentry "messianic" quasi-reformers and self-styled economic analysts (often without scientific verticals), supporters of monistic dogmas and economic determinism. In this way was created the causal and consequential circuit of vice, which exists in the absence of political economy (Table 1).

We live in a time of great paradoxes. *The first paradox*: we live in the era of "post-capitalism" ("comradely capitalism"), technocratic, post-industrial and information society, the civilization of the third wave [5]. Nevertheless, the obsolete destructive formulas are being imposed freely, interests and unpunished, and their devastating results have been "proved" long ago and in many areas. But their creators do not apply them in the home countries of the conceptual origin.

The second paradox: in the era of extorted shift of the market economies towards state interventionism, the summit of developed countries leaders sends a message to the underdeveloped not to focus on protectionist measures (again double standards in the "development" formula). State regulation is orchestrated accusations. Any guilt of neoliberal economic policy is denied [6, p. 168].

The third paradox: the market self-regulation is advocated by those who are getting rich in non-market, through the privileged use of other people's (usually state) resources, with passivity (and/or even support!) of state regulation.

The fourth paradox: decades of unsuccessful experiments (socialist, then the transitional) has not learned any developmental lesson, at least in terms of lethality of non-selective and uncritical neoliberal deregulation, liberalization and privatization. This lesson is very simple: freedom of choice — yes, but only with own risk and own money! The free market — yes, but within the limits of moral criteria, social responsibility, own risk, rational behavior, institutional standards, protected and clearly specified property rights, and above all — fair game where no one takes sides!

2. Monistic modeling of economic realities as a substitute for political economy

Monistic modeling of economic reality is actually a neo-liberal (in theory) rhetorical exaltation of the alleged absolute advantages of private ownership, entrepreneurial initiatives, economic freedoms, effective owners, unrestricted market and the so-called "minimal" state [7]. It is accompanied by various forms of quasi-neoliberal behavior in practice, with socio-pathological origin. It is a phenomenological and etymological ignoring of the real causes of social and economic problems, which are visible to the naked eye, and even unmasked by the media. Academic sphere (alibi-reformers and alibi-neoliberals), with their silence, omission and commission (dogmatic-description and apologetically) acts as a spiritual accomplice of all transitional negativity.

It is difficult to generally write about political economy and characterize its great role and sig-

nificance. It has been developed in various formational and civilizational circumstances, at various geographical areas. It has given a great and memorable scientific names, but also a large number of apologetic authors. Here are some unavoidable impressions:

- existence of political economy has always been objectively determined by the ruling policy, so the option of theorists (for or against the attitudes and interests of official policy) was interpreted as a political commitment, and

- for several decades, the political economy as a science has been calculatedly put into a corner to avoid writing about its distinctive themes of exploitation, alienation, inequality, monopolism, violence, opportunistic behavior, etc..

The place of political economy was occupied by:

- neoclassical abstract elaboration, that ignores real social and economic problems,

- orchestrated and interest neoliberal rhetorics, and

- mathematical-statistical modeling, regression, optimization and various other analysis, often with fictitious data and "dependencies" which do not explain the fundamental problems of economic reality nor contribute to economic development.

In all this, the only joy is the appearance and development of various neoinstitutional and new-institutional economic theory. But they have not (maybe deliberately?!) significantly lived in the post-socialist region, especially in those dominated by neo-liberalism as the official economic policy.

Despite many achievements, the political economy (especially in socialist circumstances) had a lot of negative characteristics, such as: apologetics, dogmatism, totalitarianism, tautology, vulgarization, ideological, institutional and quasi-institutional monism, collectivism, different answers to the same questions, copying, infinite quoting of party ideas, as well as attempts to turn certain misconceptions into absolute truth.

Needless and impossible is to outline the political economy of the West. Much easier is to do it on the example of so-called political economy of socialism. In a paradigmatic sense, it was an attempt to create original (applied) economic theory. In the institutional sense, it was a stubborn and deviant institutional monism of dirigistic and/or modified self-governing type, and could, due to its numerous deformations, be marked with the sign "quasi". In the scientific sense, it was extremely dogmatic, sometimes of ritualistic character. Finally, in a doctrinal sense, it had a dual nature: it was con-

tinuous and more or less monistically consistent, but still — of contradictory and periodic character. There were periods of less or greater freedom of economic thought. Nevertheless, the whole developmental period of so-called socialist political economy was dominantly marked by dogmatic and monolithic doctrine — institutional monism of state regulation (ie. dirigisme). Naturally, all the "original" socialist directions have mainly "relied" on Soviet sources and guiding ideas, regardless of their attempts to distance themselves from this rigid institutional single-mindedness.

Of course, the western political economy has never been so liberal as claimed, because state regulation (as represented in official economic policies) have always controlled and determined the selective (according to the needs) acceptance of certain economic ideas. The theory and rhetorics have always differed from the practice. The front is not necessary to be elaborated, but there are too much information and evidence about the validity of that conclusion.

The dominance of politics and ideology, as well as the monopoly of the state, however, are identical or similar guidelines for the "capitalist" and "socialist" political economy. The main difference is probably a strong cult of personality, characteristic of the latter, which has caused enormous suffering of economists, who "thought differently". Of course, there were substantial differences in the level of (non)consistency, vulgarization, dogmatism and deviance of the applied "development" models of the economy, their manifestations and consequences of the crisis.

Even though under another name, the post-socialist period has kept one important (but deadly) guideline of political science: vulgarization in theory and practice. It has enabled the conversion of one (former) institutional monism to another (modern, more sophisticated), one dogma to another (as it seems — much worse). Apparently, it has changed institutional form (sign): dirigisme was (at least modified) replaced by neoliberalism. They have kept their rhetorics, messianic promises, double standards, cruelty, protectionism towards its own people, domination of politics over the economy, reproduction of the vicious cycle of crisis, apologetics, palliative reforms, irrational mythology and other known anti-development and interest-oriented methodology, used for experimental purposes, with programmable interests of conductors (alibi-reformers).

In this way, open (socialist) totalitarian dirigisme has turned into a hidden totalitarian neoliberalism. Institutional improvisations and imitations have continued, and the result is (again)

disappointing: total damage to the society and marginal benefit for "capable" ("resourceful") individuals have parallelly augmented. One institutional dogma has turned into another, and one form of economic reductionism into another. Contrary to the civilizational aspect, and concerning the development and economic performance, in the practice of a proven institutional pluralism! Contrary to the indubitably necessary complementarity of economic freedom and economic institutions, i.e. freedom of choice of individuals (all those massively misunderstood) with collective interests, as well as compromise of individual and collective interests.

Everything is possible only in the politically determined and strictly controlled institutional conditions, with natural exclusivity and contradiction of institutional relations, the inability of institutional changes and institutional competition. In a quasi-institutional conditions, where the dominating form of ruling alternative institutions is imposed, producing unlimited anti-institutional privileges of the few in the nomenclature circles.

In the socialist period, individualism has been suppressed by programmed fictitious collectivism. However, in the post-socialist period, it has been suppressed by the programmed individualism of the privileged. The dictatorship of the collective in relation to the individual (in terms of a strong state, which has been built), by all means, was replaced by the dictatorship of privileged individuals in relation to the collective (in terms of a weak state, which has been devastated)! Dictate of the state were replaced by the dictate of so-called "new entrepreneurs" (nouveau riche), so the former ideals were replaced by the vices! State monopolies were replaced by non-state monopolies, but instead of individualism of all was achieved an individualism of the rare (non-market selected and enriched). State violence has grown into violence over the state! Neoliberal deregulation (which essentially corresponds to an alternative quasi-institutional regulation) has replaced the dirigiste regulation, but reduced and vulgarized institutional monism was their common feature, which actually means reproduction of hindering anti-developmental mechanism [8].

After this criticism, i.e. a short-political-institutional analysis, it is clear that additional and more comprehensive response requires comprehensive questioning: Is the politics (how much and in which segments) more individualistic or collectivist phenomenon? Unfortunately, this goes beyond the scope of our research, knowledge and capabilities. But the results of the practi-

cal (visible, obvious) findings are clear. By accepting the risk of miscalculation, it seems that politics often appears as an institutionalized monopoly on coercion (usually party and ideology, where in the pyramidal hierarchy, again, dominates the inevitable individualism, as a source of alternative institutions).

Here probably lies the answer (at least partial) to some questions on the subject matter, related to the relativization and/or elimination of political economy as a science. It is a comical and sad contemporary story (that is constantly "spinning" in "scientific" articles) about individualism, economic freedom, markets and market competition, entrepreneurship, benefits of private ownership and initiative, and the like. How much of that really exists in practice? There are no political-economic analysis of categories such as the origin of property, equality of economic conditions and access to resources, freedom for all, business ethics, man as a social being, exploitation, social inequality, pauperization, etc.. Even the "institutional engineering" is treated extremely tendentiously and incorrectly by some authors [9], as the alleged key brake of transition! It seems that everyone should be aware that this brake has completely different name — institutional vacuum, which has been used for an economic and social crime of enormous proportions.

The ambient of economic unfreedom (which in many post-socialist countries is not debatable) is further explained by the dictatorship of the collective in relation to the individual, while neglecting the notorious true that an increase in economic unfreedom is a result of the abundant dictatorship of individuals over the collective! It seems that the aforesaid misrepresentation of the facts has been accepted, among other things, due to the passionate opposition of believing in freedom of the individual (which we denote as an abstract individualism) and mistrust in equality (collectivism). In these propagated freedoms we have not noticed the quasi-neoliberals advocating equality for the most (if not all). It is not good when even the idea of combining individual and collective is strange, which is generated in an efficient institutional arrangements (of course: pluralistic!).

Economic individualism has its advantages (when institutionalized) and its vices (when not institutionalized, so individual rights are manifested opportunistically and/or out of control, while neglecting the social obligations and forming a number of negative external effects). Also, it is not good when anyone's own individual actions are reduced to managing (and/or manipulating) the actions of others, especially when it happens just because that «someone» (party) got the privilege to do so. This

is not freedom of action, but its negation. It's not good when the "social engineers" (quasi-reformists) imagine another (abstract) social engineer. That is classic calculating alleged non-recognition over sophisticated replacement of thesis, disguising and evading the truth, but also the clockotrisic (selling the bill) interest motive. Selective paraphrasing of the original classical economic individualism (against which, in principle, we have nothing against) is vulgarized and abused.

It is unknown if the aforementioned "classics" have ever condemned the opportunistic behavior of privileged individuals who violate the law and the rights of other individuals. Where was a Pareto optimal? And we are just talking about it, how considered highly-interest group (with their less interested satellites) fails to mention, while holding moral talks of the state, and which allegedly restricts the individuals. In addition, they are forgetting that the state is made of people, people in positions! All abstract analyzes based on the one-sidedness, uncritical absolutizations and pulling things out of context, are flawed and unscientific.

Over-expression and dominance of selective individuality (as a basic domination of economic unfreedom) in the economic reality is a sinister request of non-market enrichment in this (in many ways) time of crisis. The consequences to the population, economic growth, and development, as well as the state, are huge and unforeseeable.

When considering individualism, we must analyze all of its positive and negative manifestations, backlinks with institutionalization, causes and consequences of uncontrolled individualism, the boundaries of its positive and negative effects, the real level of economic unfreedom as the brakes of manifestation of positive individuality, the effect of sociopathic individualism on a high degree of economic unfreedom, the optimal ratio of individualism and collectivism which does not contradict the economic development, non-market acquired wealth as a factor of economic impact of excessive individualism, the degree of "reformist" centralization that is a function of favoring quasi-institutional individualism, etc.

Such a complex political-economic analysis could lead to a positive progress in considering and changing the crisis economic practice. Everything else is a critic for the sake of criticism, abstract theorizing, and barren and calculated quasi-economic clockotrisism. Without objective political-economic analysis and its conclusions, and on that basis achieved a critical mass of real evolutionary competence (institutional, individual and mass, etc.) implementation of eco-

conomic reforms is not possible, let alone their success. We should learn lessons from the failure, and the most important is this one: liberalization is not the same as the violence against it! D. North, J. B. Wallis and Weingast [10] have written about the violence.

The scientific-ideological and practical phenomenon of the post-socialist economic "neo-liberalism" (quasi-institutional monism) is not accidental. It has its clear sources, origins and motives. It has appeared at the time of the collapse of socialism, as a response to the long-term rule of vulgarized and dogmatized Marxist political economy. Exhorted by the interest motives in practice, and in the absence of the original development concept of their own, "reformers" have chosen a new way of vulgarization and improvisation, this time, a Western neo-liberalism, which protected the interests of large transnational capital, with the state border as developmental barriers. Unsuccessful post-socialist modifications were made on other people's formulas and were functionally incorporated to support the philosophy of a big business in global and local relations [11].

Generally speaking, the majority of post-socialist countries had paradoxical results: a drastic decline in all economic indicators and impoverishment of the people on the one hand and the enormous wealth of the few, including the individual proponents of neoliberalism and the "reformers". These are indicative and irrefutable facts. The methodology of the mass voucher privatization was a very efficient and quick way to redistribute huge national wealth into the hands of small groups of individuals. Ideology (again!) again based on promises and slogans about massiveness, equality (again!), market competition, economic freedom, and the like. All this was grossly violated. After rapacious privatization and other non-market ways of enrichment, came the period of dominance of annuity-oriented behavior, whose shadow was a gray economy. Everything was in a function of vulgarizing the philosophy of quasi-neo-liberalism, based on the one-sided glorification of the market, even in the aforementioned deformed conditions, which led to a significant reduction in the level of economic freedom. According to certain characteristics and forms, economic neoliberalism in the global and local level resembles the neo-imperialism! Conducted under the auspices of the state, where the nomenclature of government have "clamped" the most — this could be called a new form of dirigisme — neoliberal dirigisme!

Proof that institutional pluralism is indisputable and imperative developmental formula, has been the experience of China (1980s-1990s), with

achieving very efficient and painless gradation transition from planned directive towards mixed economy, much easier than the other post-socialist countries have made a "big leap towards the market" (neoliberal model of so-called shock therapy).

One disastrous experiment has already been seen, where in the field of economic science (political economy) for decades were waged an ideological, interest and other fights over many superficial and irrational economic discussions. Apparently this is a proven method of fogging the essence of economic and social problems, creating ambiguities, doubts and misconceptions for the masses, and suppressing economic logic, criticism and objective research in economic science. It is an attempt to create a new (neoliberal) monopoly on scientific truth. With the formation of new (fictional, virtual) forms of duality: individuality as the holy grail, but only for the privileged, rhetorics of the market with non-market appropriation, cramped and distorted market structures, and international integration with local disintegration etc. (instead of earlier commoditization of the socialist economy, with recognized commodity, but no commercial character). A new economic paradigm was not designed, merely the old one was adapted and renamed, remaining destructive, in the conditions of long-term non-replaceability of monopoly coalition party system. The neoliberal scholasticism, empiricism and narrow interest pragmatism were continued. The idea of "transplantation of institutions" (term by V. Polterovic [12]) did not help, because importing the standard formulas for microeconomic stabilization policy, in terms of inadequate microeconomic milieu, was only a new form of economic determinism.

3. Mathematical-statistical modeling of economic reality as a substitute for political economy

In recent decades, many economists (especially the so-called "multidisciplinary economists") are competing in mathematical modeling of economic reality. Journals require that, because this is obviously the most important "scientific" criterion for inclusion in the prestigious international base — so-called SSCI list (Thomson Reuters). Using fundamental research, available to the journals, we found that over 95 % of the articles write about various forms of mathematical modeling and statistical regression. They often prove that surface is wet when it rains, and the research databases are also often of the cabinet and fictional character. However, we will not broaden the story, nor estimate the significance and scientific value of the

selected regression relations. It is sufficient to emphasize our agreement with the general conviction that the universality of economic theory has never existed, nor could exist. As the validity of any mathematical and statistical models assumes their universality, the conclusion on their actual usability is clear. Their methodological and scientific foundation and procedures are entirely something else.

Surprisingly, some economists have received the Nobel Prizes for these and similar studies. Nevertheless, all these models and regressions have remained unsuccessful in their attempts to successfully explain the present time of economic reality, let alone to predict the future. The dynamic economic reality is quite "elusive" for mathematical-statistical methodology and modeling. Perhaps the problem is not only in their logical paradox (no one can mathematically explain economic behavior and economic reality), but also in the methodological paradox, which is sufficiently revealed by a simple question: How is it possible to develop a model for predicting the economic conjuncture, when a prerequisite is to know the manner in which agents predict that same conjuncture?!

Using a principle of rational expectations (which also causes concern, because "rational agents" supposedly should know everything in advance) they tried to overcome this paradox. But, except the theoretical achievements in the spheres of abstract, high-quality practical assessments were also lacking. Behaviorists were more realistic, so their research have proved more successful in some ways and segments. Let us remember that D. North [13] in his Nobel paper claimed that "theories of economic dynamics do not exist." Modern mathematical and statistical research do not provide a qualitative explanation of the volatility process in the economic reality. Perhaps because their attention is focused on factors to establish a balance, instead of factors to disrupt it. What can be said about the new and the unknown factors of influence, which constantly appear in turbulent economic reality, but can not be foreseen at the initial stage of analysis and prediction. It has to bear in mind the difference between the turbulence as an attribute of the economic system, which means the movement of their individual elements with various speed, of volatility, which is characterized by fluctuations in a wide range.

In addition to this is the fact that politics has always hampered and relativized the economic science as a determinant and dominator. The economics studies specific segment of life — the acquisition of goods (wealth), its distribution and consumption. It has been reduced to science of choosing a combination between a few resources

and unlimited needs, which is a specific conflict, nothing less than adjusting the objectives of social justice (equality, solidarity, altruism, guarantees, determinant, coercion) and economic efficiency (inequality, market verification, competition, uncertainty, games, free).

The main limitations of econometric models are availability, asymmetry and selectivity of information, and often basing on the principles of individual behavior, although the state regulation has an important role when it comes to the inefficiencies and deformations of the market (eg, external effects) and risks that must be constantly detected, identified and institutionally (primarily legally) "supervised" and regulated.

It is known that none of the macroeconomists has not successfully predicted the current and global economic crisis. Economists did not exactly predict these crises in time nor its intensity, despite the roughly and general predictions of individual authors. And not only that: Its real causes, nature of its rapid and strong expansion, its inability to stop it fast and adequate, its inapplicability of standard macroeconomic anti-crisis models, and other, have not been sufficiently explained, even today. Does this mean that we could soon expect a review of (some) key theoretical principles of modern economic science?

But even before the frequent economic crises and tragic consequences of the global financial and economic crisis in 2008, it was clear that mathematical models, used at that moment, have ignored many important phenomena of economic reality and social environment. Therefore, their consistency is part of the explanation of economic reality, especially the predictions of future events has been highly questionable. It was mostly denied by the events in practice. Why? Simply, objective limits are large, and all these abstract models assume that those are "normal" periods of economic activity. All of them, in a certain way and in a certain (significant) degree, are abstracting the complex dynamics of economic systems, their potential volatility and exposure to the risks in a very changing environment. In addition, most models are relating to the assessment and insurance from the risk. But in reality, those models failed to predict, identify and/or reduce the risks.

It is known that many models have shown incorrect, empirically unconfirmed and/or inapplicable. They are mainly based on two questionable assumptions: rational expectations and representative agent. Looking through this prism, it means that methodological validity of economic science subject could probably be questioned. Clearly, people's behavior can not be mathemat-

Table 2

Comparative overview of scientific papers type, published in the selected journals

Name of journal/sample	database	Field	
		number of published papers on mathematical-statistical modeling	number of published papers on theoretical topics
"Panoeconomicus" / 10 issues	SSCI	63 (95,45)	3 (4,54)
„Economic research“ 10. issues	SSCI	125 (93,98)	8 (6,02)
„Proceedings of Rijeka Faculty of Economics“ 5 issues	SSCI	31 (100 %)	0
„Economic Annals“ / 9 issues	Scopus	53 (98,15 %)	1 (1,85 %)
„Croatian Economic Survey“ 5 issues	Scopus	20 (86,95 %)	3 (13,05 %)
TOTAL		292 (95,11 %)	15 (4,89 %)

Source: Author's research (Retrieved from: <http://www.panoeconomicus.rs> (date of access: 19.05.2015), <http://www.tandfonline.com> (date of access: 22.05.2015), <http://hrcak.srce.hr/zbornik-radova-efr> (date of access: 25.05.2015), <http://www.ekof.bg.ac.rs/publikacije/casopisi/ekonomski-anali> (date of access: 18.05.2015) and <http://www.eizg.hr/en-US/Croatian-Economic-Survey-26.aspx> (date of access: 22.05.2015)).

ically modeled or predicted in some significant segments. In addition, many crucial and widespread problems and limitations in the economic reality, the economic science is simply ignoring as if they were taboos.

In what degree has mathematical and statistical modeling substituted the political-economic and even institutional and other theoretical subjects, show the data in Table 1. It presents the results of the analysis on a sample of articles published in the last 2–3 years in available editions of selected economic journals in the countries of SEE, which are at the SSCI list (3 journals), and the SCOPUS (2 journals). Overall, these articles dominate with 94.72 %.

Results in Table 2 suggest that the mathematical-statistical modeling of marginal, sometimes banal topics from economic reality is the best recommendation for accessing databases of SSCI and Scopus. Interestingly, the works of political economy are miraculously mathematized [e.g. 14, pp. 161–192]. Even authors who do not know the mathematical basics or mathematical statistics, still publish their articles! Some papers on theoretical economics are so bad that should not be published [15]. Any further comment is redundant. However, if these papers are so good and important, why the official (neoliberal) economic policy does not use them? Without denying the scientific value of the analyzed mathematical-statistical articles, it is important that they study the marginal economic issues, and that would be the best proof of their irrelevance for economic policy. An exception may be found in apologetic terms.

The elimination of political economy is just further evidence of wrong and apologetic insistence on institutional monism, where privileged and non-market rich individuals distance themselves from the abused and impoverished masses.

Namely, this shows that mathematicians, economists, sociologists, psychologists and others supposedly "know" the economic science much better [16, p. 285]. No one is happy with that. This is exactly a tragedy of economic science. With long-term reproduction of the economic crisis, even the economists (in the race for publishing their works, required for larger electoral academic qualification) write papers on peripheral and insignificant relations of dependency between some kind of marginal variables, with useless similar conclusions. Instead of analyzing the essence of economic phenomena, problems and processes, identifying their causes and proposing measures to overcome them.

Though, perhaps this is only about a pragmatic need to acquire references. As far as the holders of economic science (journals, proceedings, etc.), perhaps this is about a profitable integration into the imposed global scientific trends, based on ignoring the political-economic analysis? After all, who still cares for the actual "scientific" phenomena such as: bandwagoning in the science (so many co-authors in individual articles), writing for others, the actual conversion of the ignorant into scientists, hyperinflation of diplomas, open plagiarism deficit political-economic scientific criticism and analysis, etc.

4. Conclusion

Forcing neoliberal and mathematical-statistical research, the key issues of economic reality are deliberately ignored. This contributes to the serious crisis of economic science. Therefore, we believe that key issues of economic reality are deliberately being ignored, which contributes to a serious crisis of economic science. Of course, apologetics and mathematical-statistical modeling fully correspond to the modern quasi-neoliberal practice.

The consequences are huge for society, economy and science. Economy and society have been dominated by alternative institutions (from the shadow) over formal and informal institutions. Science is facing a degenerative process of diploma inflation at all levels, which has already worsened the situation, and will have a disastrous impact in the near future. Countries that invest little in scientific research can not expect good scientific results.

Modern economic reality can not be fully explained without detailed and consistent political-economic analysis. They would usefully complement the new-institutional theory to thoroughly explain the essence of many issues, without the interference of methodological individualism.

Political-analysis would be able to provide further explanation of institutional pluralism, related to great dilemmas and misconceptions in some transitional countries.

A degradation of knowledge is one of the greatest paradoxes of our time. It broadens the range of ignorance in science, that will further boost the ignorance level. It is clear where it leads (the reproduction of the crisis) and who needs it (alibi-reformers and nomenclatures, who have enriched themselves and preserved their wealth, power and authority). Degradation of political economy is functionally directed toward neglecting the social and economic problems.

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